Full Year 2010 Results

ING reports underlying net profit of EUR 3,893 million

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CEO

Amsterdam – 16 February 2011
www.ing.com

BANKING - INVESTMENTS - LIFE INSURANCE - RETIREMENT SERVICES

ING Group posted solid 2010 results

ING Group underlying net profit rose to EUR 3,893 mln in 2010 vs 974 mln in 2009

- Results impacted by previously announced DAC write-down on US Closed Block VA
- 4Q10 underlying net profit of EUR 644 million versus 90 mln in 4Q09

Strong bank performance: underlying pre-tax profit EUR 5,862 in 2010

- Interest margin rose to 147 bps in 4Q on healthy margins on savings and lending
- Strong core Tier 1 capital surplus generation of EUR 5.9 bln in 2010

Insurance operating result improved to EUR 1,743 mln in 2010

- Investment spread improved to 93 bps in 4Q as markets improved and cash was reinvested
- Full-year underlying result before tax of EUR - 519 mln includes DAC write-down of EUR 975 mln on US Closed Block VA in 4Q

Separation process enters new phase as we prepare for two Insurance IPOs

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- The focus for 2011 will be on preparing the Insurance company for two IPOs and working towards the repurchase of the remaining outstanding core Tier 1 securities from the Dutch state

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Progress in non-financial performance

Client initiatives

- Improving customer suitability programmes for products
- Net Promoter Score introduced across 24 business lines
- Improving bank customer accessibility by easier account opening and introduction of new channels
- Insurance initiatives to make customer information more transparent and easier to understand

Employee engagement

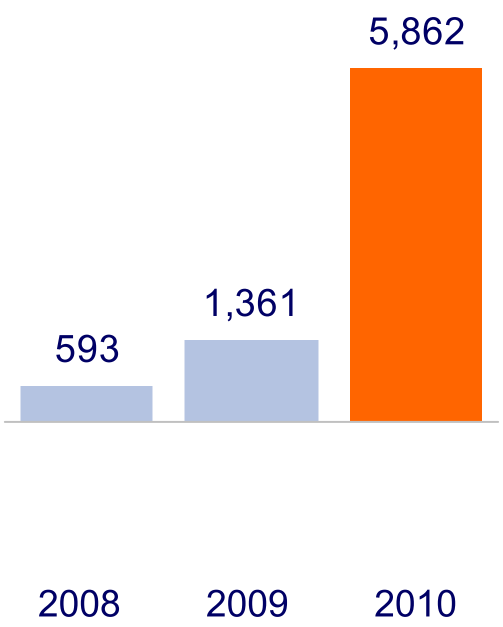
- Employee engagement score rises 4% to 75% in annual survey conducted across all ING employees
- Training module based on the ING Business Principles rolled out globally in 2010
- Employee engagement cascaded as a key performance indicator in objectives of senior management

Corporate responsibility

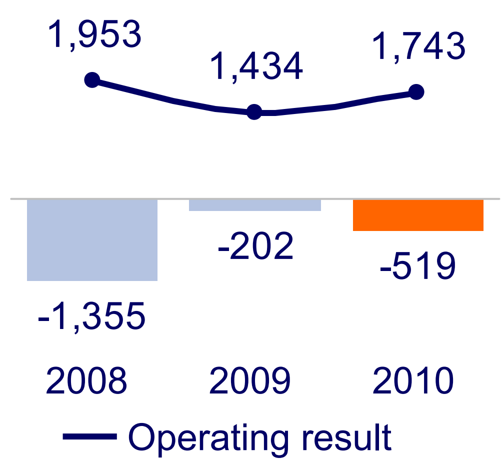
- Sustainable AuM increased 8% in 2010
- Included in FTSE4Good and Dow Jones Sustainability index
- 100% carbon neutral for fourth consecutive year
- Sustainability targets included in objectives of senior management
- Over 125,000 children provided with access to primary education under Chances for Children programme with Unicef

Full-year 2010 profit driven by strong recovery of Bank results

Underlying pre-tax result Bank (in EUR mln)



Underlying pre-tax result Insurance (in EUR mln)



Underlying net result ING Group (in EUR mln)

- Group Full Year 2010 net result was EUR 3,220 million versus a loss of EUR 935 mln in 2009

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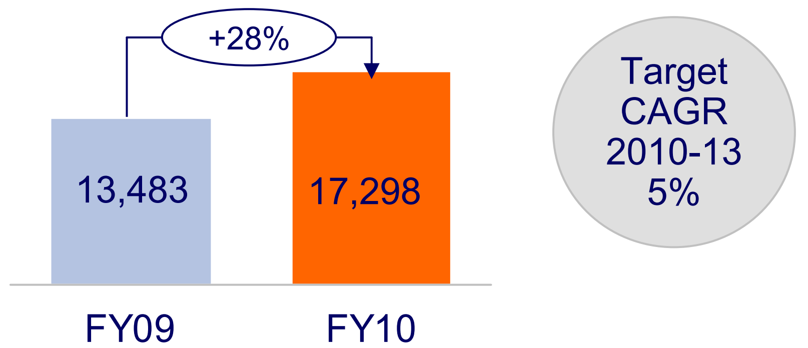
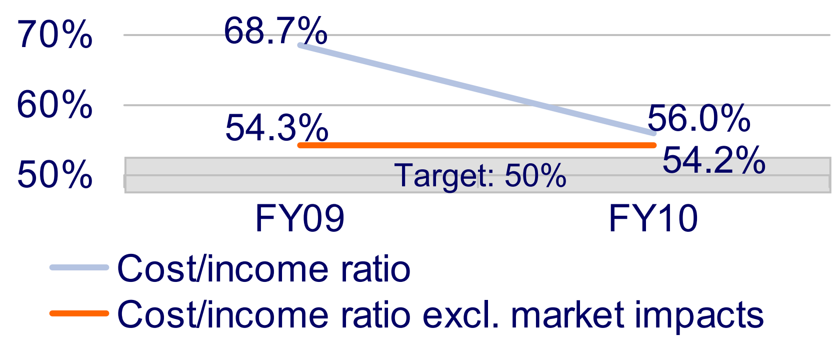
Bank is making good progress on Ambition 2013

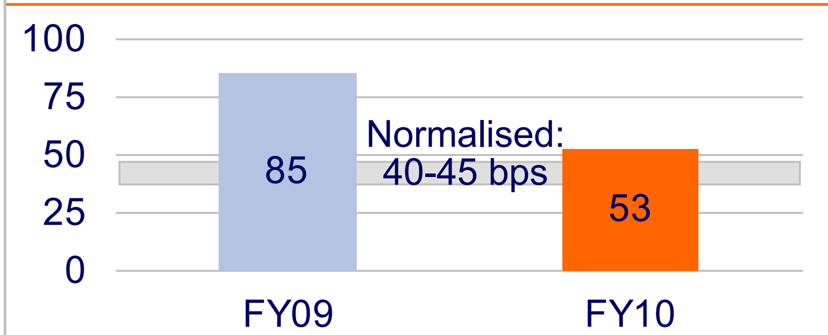
Underlying income* (EUR million)



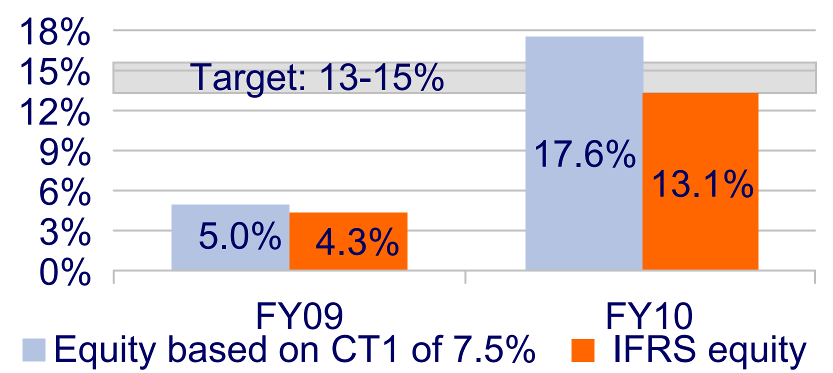
Underlying cost/income ratio (%)



Underlying risk costs in bps of average RWA



RoE** (%)

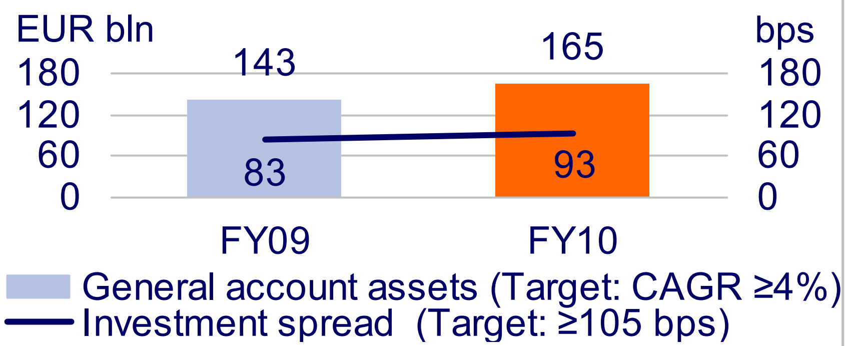


* Underlying income excluding market-related impacts increased 7.4% in FY10 versus FY09

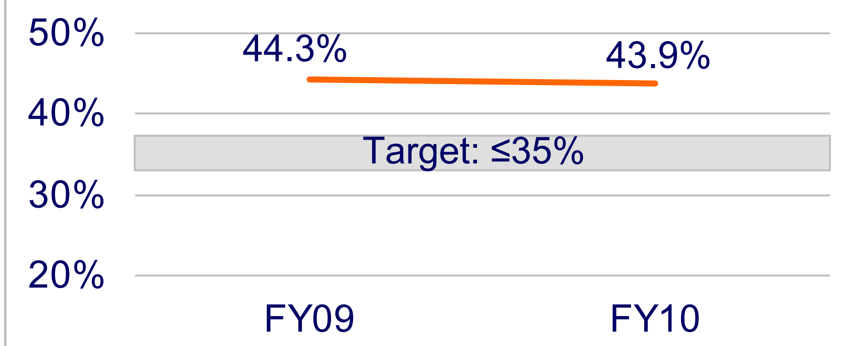
** Average equity based on core Tier 1 ratio of 7.5%. Return on IFRS-EU equity of 13.1% in FY10 (4.3% in FY 09)

Insurance operations showing early progress on Ambition 2013

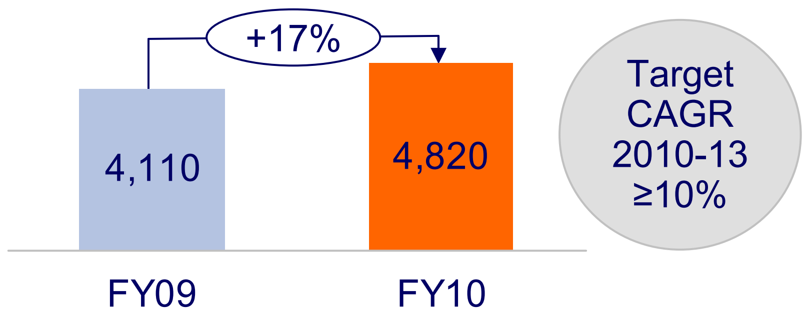
Life general account (EUR bln) and investment spread (bps)



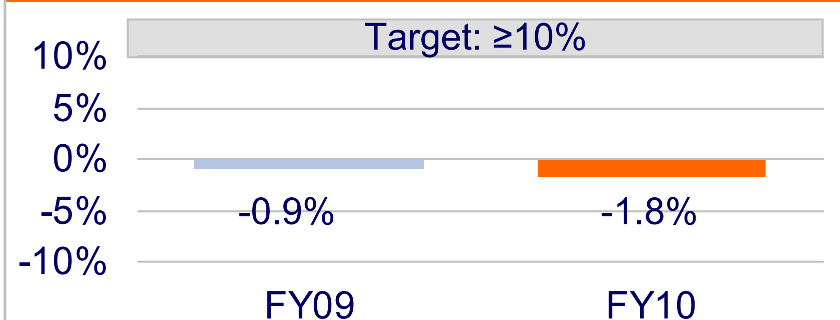
Life & IIM administrative expenses / Life & IIM operating income (%)



APE* (EUR mln)



RoE** (%)



* Excluding closed blocks in the US and Japan. Sales excluding closed blocks and at constant FX rates increased 9.8% in FY10 versus FY09
** FY underlying net result adjusted for the after-tax allocated cost of Group core debt injected as equity into Insurance divided by average IFRS-EU equity

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Separation process enters new phase

Separation Bank / Insurance

2010 ✓	• As of 1 January 2011, all ties between Bank and Insurance/IM have been formalised and the businesses legally operate at arm's length from each other	• FY10 separation costs were EUR 85 million after tax
2011 - 2013	• Operational separation consists of a combination of end-state and interim solutions as well as a small number of exceptions • ING will seek to replace the interim solutions and exceptions with permanent solutions	• Total separation costs* for 2011 are estimated at around EUR 200 million after tax • Separation costs will be booked as special items

Preparation for two IPOs for Insurance

2011	• ING will implement the operational disentanglement between the US and EurAsia Insurance/IM operations to prepare for the base case of 2 IPOs • Legal entity restructuring to be prepared in 1H11 • No final decision yet on Latin America: exploring strategic options	• Costs for 2011 are to be determined

* Excluding rebranding

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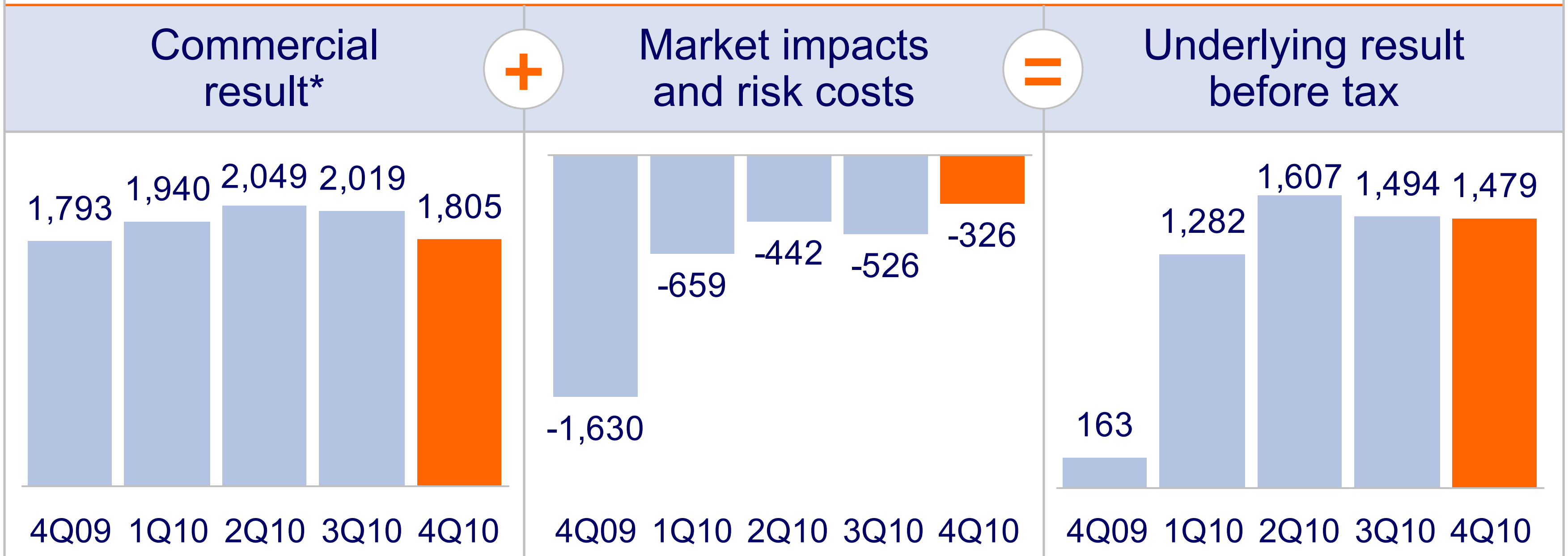
ING Bank

ING Bank finished 2010 with another strong quarter

Bank results (in EUR mln)

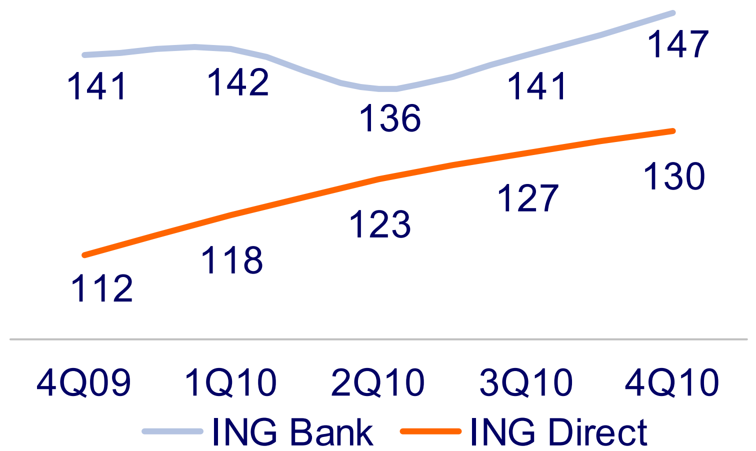


- Commercial result was up slightly from a year ago but down from 3Q reflecting seasonality in Financial Markets as well as higher expenses
- Income held up well supported by higher volumes and an increase in the NIM
- Market impacts continued to decline, despite an up-tick in risk costs. The market impacts include a capital gain on Fubon reported in the corporate line

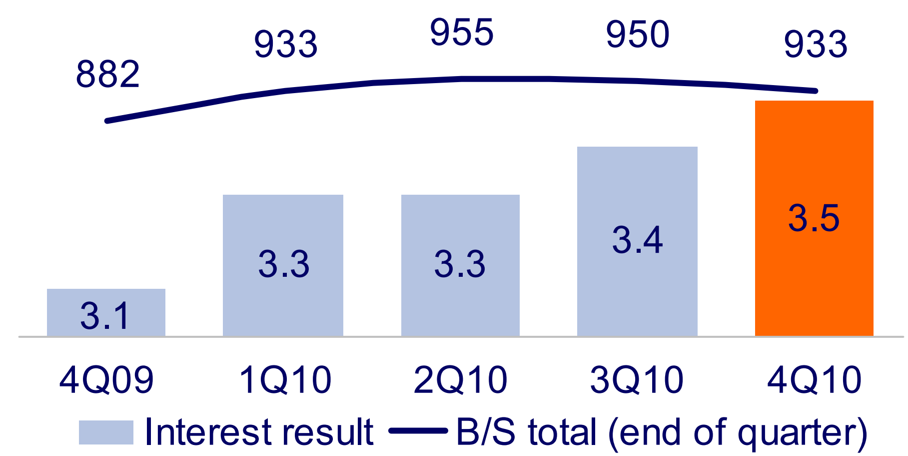
* Bank commercial result = underlying result before tax excluding market impacts and risk costs

Net interest margin rose to 147 basis points in 4Q10

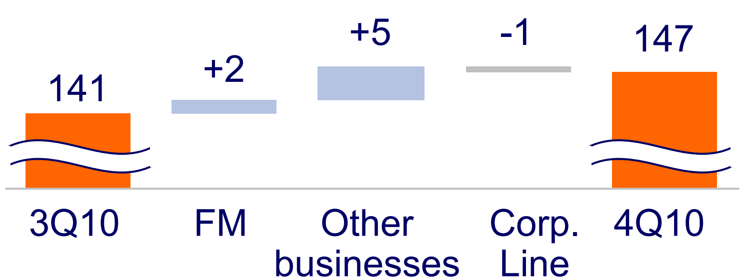
Interest margin by quarter* (in bps)



Interest result (in EUR bln)



Interest margin development (in bps)



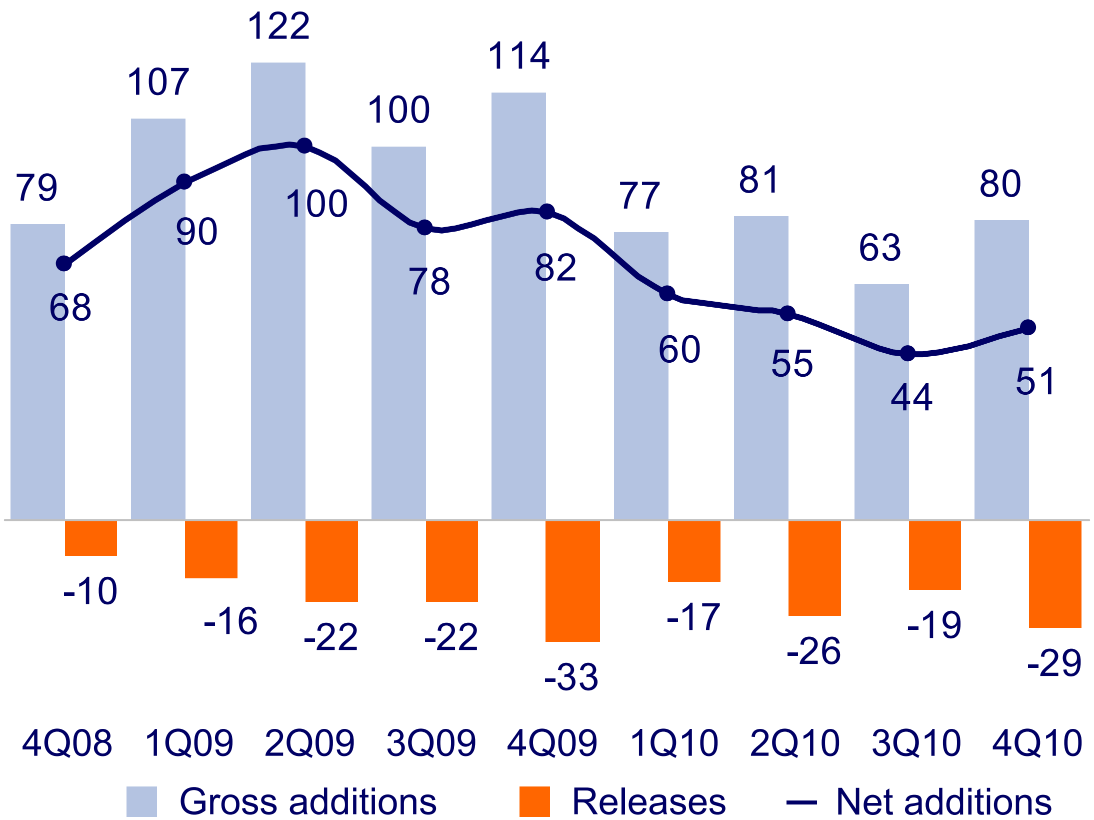
Interest result supported by higher margins and growth in client balances

- Interest result rose by 11.6% compared with 4Q09 driven mainly by growth in client balances and higher interest margin

* Interest margin is defined as the Bank's total interest result divided by average total Bank assets

Risk costs continued to trend downward in 2010, despite a small increase in the fourth quarter

Additions to loan loss provisions* (bps average RWA) trending down

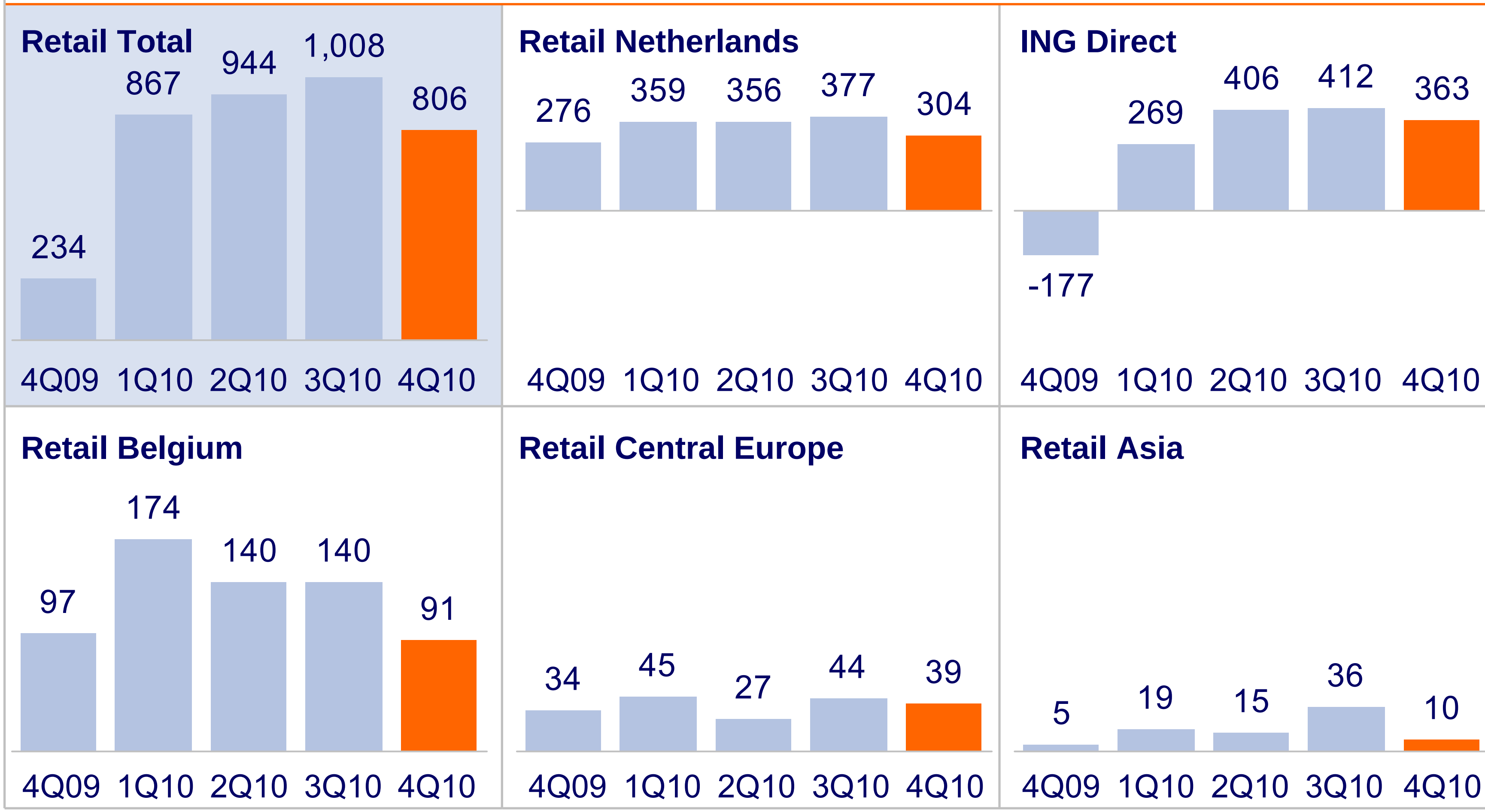


* Not adjusted for divestments and special items

- Net addition to loan loss provisions of EUR 415 mln or 51 bps of average RWA in 4Q10
- For the coming year, risk costs as a percentage of RWA are expected to be slightly below the level of 2010
- Through-the-cycle we expect risk costs of 40-45 bps of average RWA under Basel II

Retail Banking results up vs 4Q09, but down vs 3Q10 on higher expenses and risk costs

Underlying result before tax (in EUR mln)



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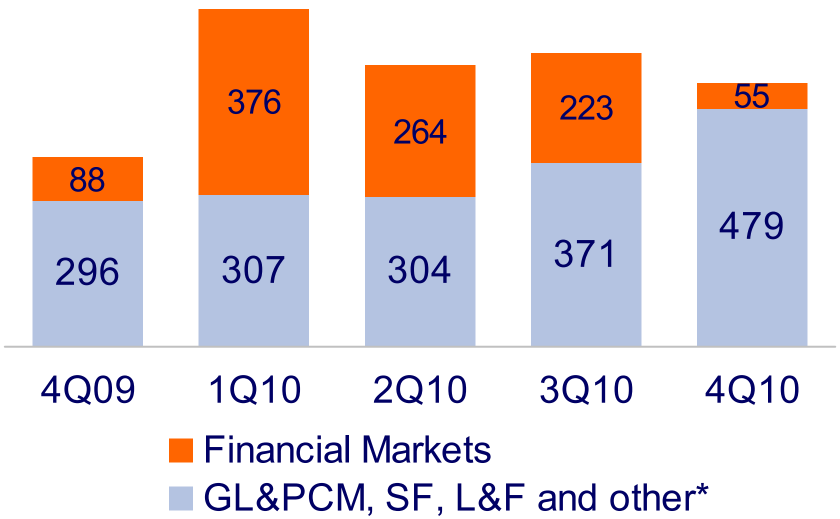
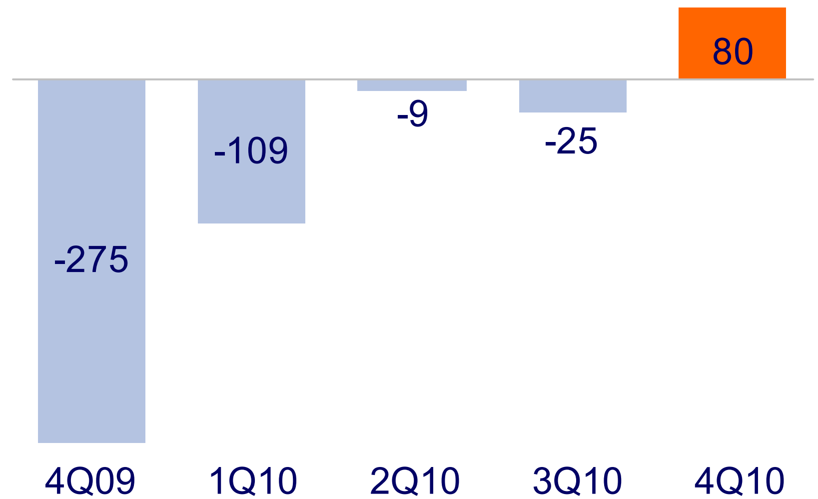
Strong performance Commercial Banking; Real Estate turned positive

Underlying pre-tax profit Commercial Banking excl. Real Estate (EUR million)



Underlying pre-tax profit Real Estate (EUR million)



- Underlying pre-tax result Commercial Banking (excluding Real Estate) up 39% from 4Q09 as strong results from Structured Finance more than offset lower results from Financial Markets.
- Real Estate returned to profit in the fourth quarter as revaluations were almost nil and impairments declined, reflecting stabilisation of real estate markets

* General Lending & Payments and Cash Management (GL&PCM), Structured Finance (SF), Leasing & Factoring (L&F) and other

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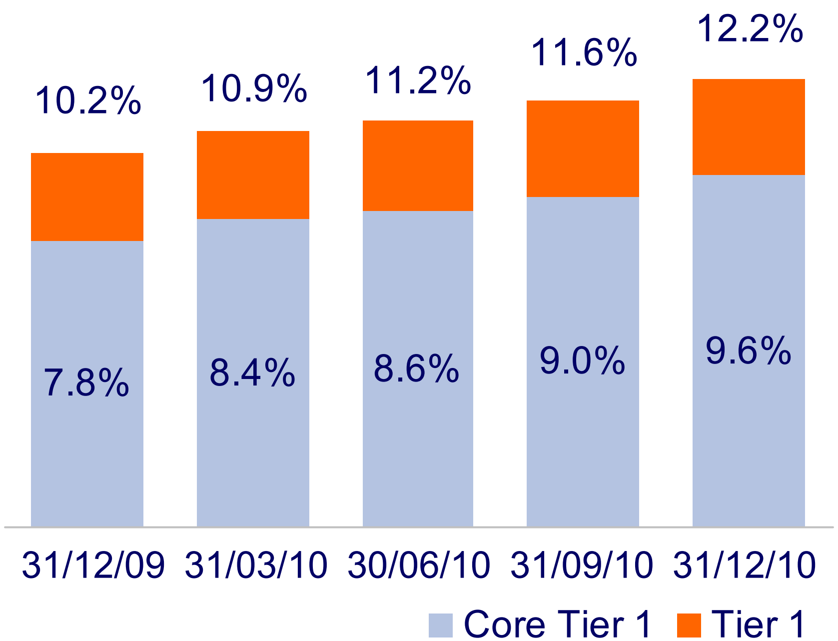
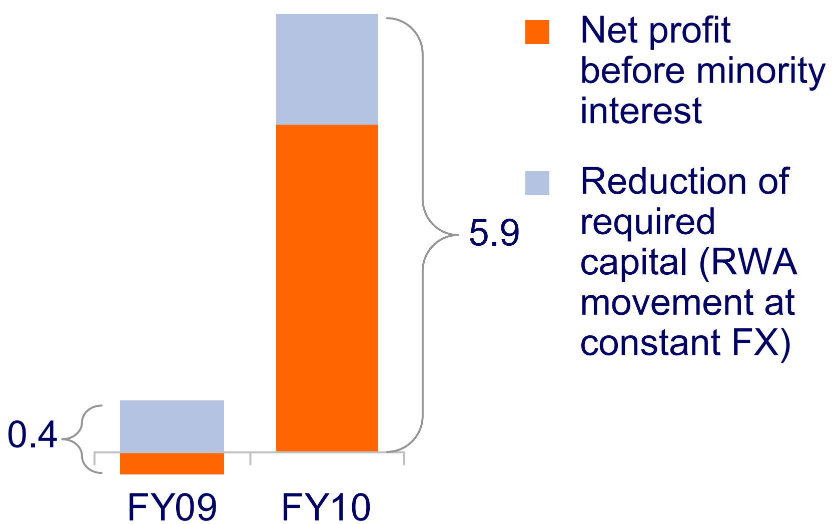
Bank core Tier 1 ratio increased to 9.6% as a result of strong capital generation

ING Bank Tier 1 ratio



- Core Tier 1 ratio increased to 9.6%, from 7.8% at 31 Dec 09 and 9.0% at 30 Sept 10

Core Tier 1 capital surplus generation* (in EUR bln)



* Core-Tier-1 capital generated is defined as net result before minority interest minus 7.5% * RWA growth at constant FX

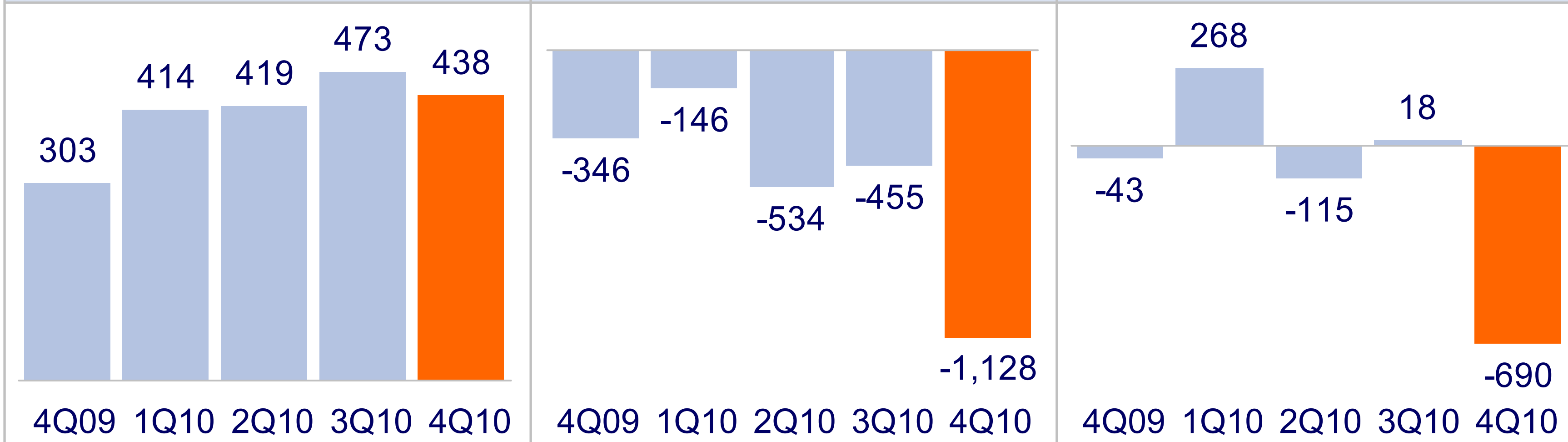
- Bank generated EUR 5.9 bln core Tier 1 capital at constant FX in 2010, driven by higher profit and lower RWA

ING Insurance

Insurance operating results held up well; underlying result impacted by DAC write-down

Insurance result (in EUR mln)

Operating result + Non-operating impact = Underlying result before tax



- Operating result up 44.6% from 4Q09 driven by improved investment spread and higher fees and premium-based revenues
- Non-operating impacts includes previously announced EUR 975 million DAC write-down on US Closed Block VA

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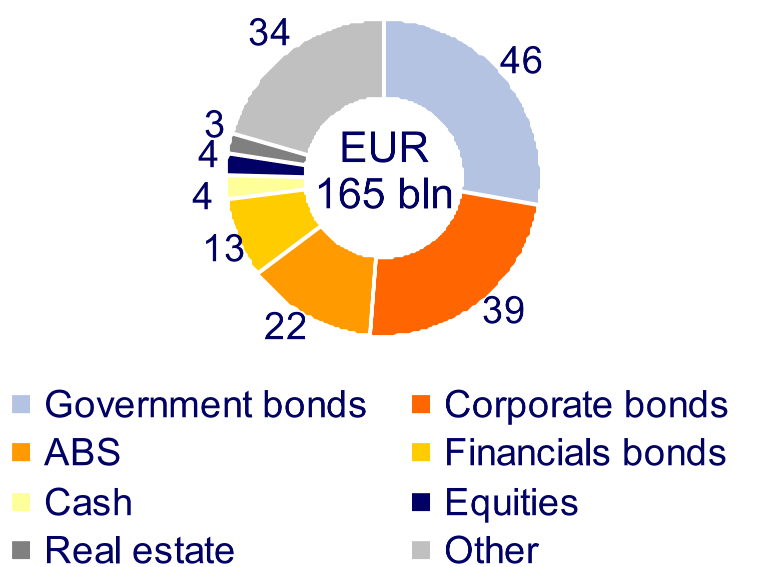
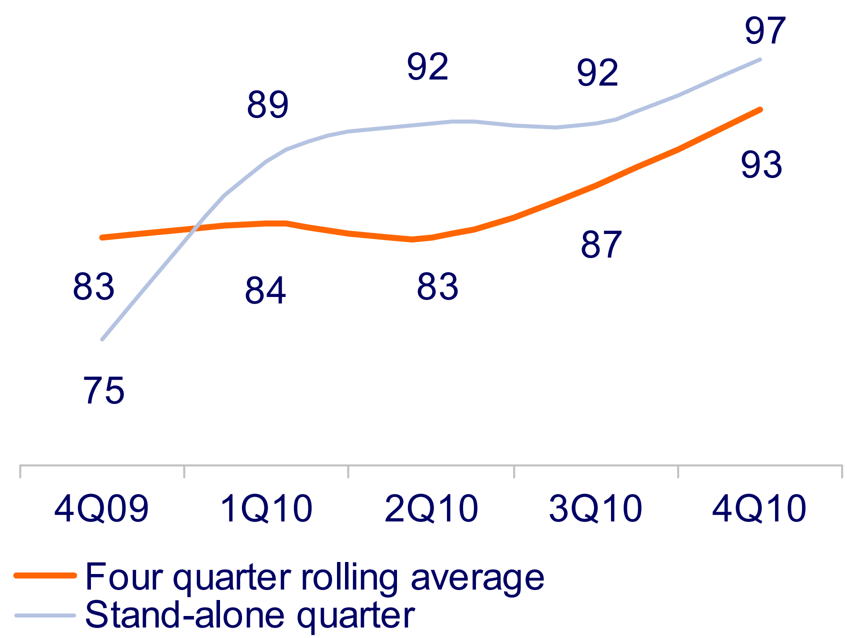
Investment spread increased further to 93 bps

Life general account (end of 4Q10, in EUR billion)



Investment spread (in bps) Life GA



- Investment spread on Life general account assets increased further to 93 bps from 83 bps a year ago based on a four-quarter rolling average
- Improvement compared with 4Q09 as we prudently reinvest into longer duration assets

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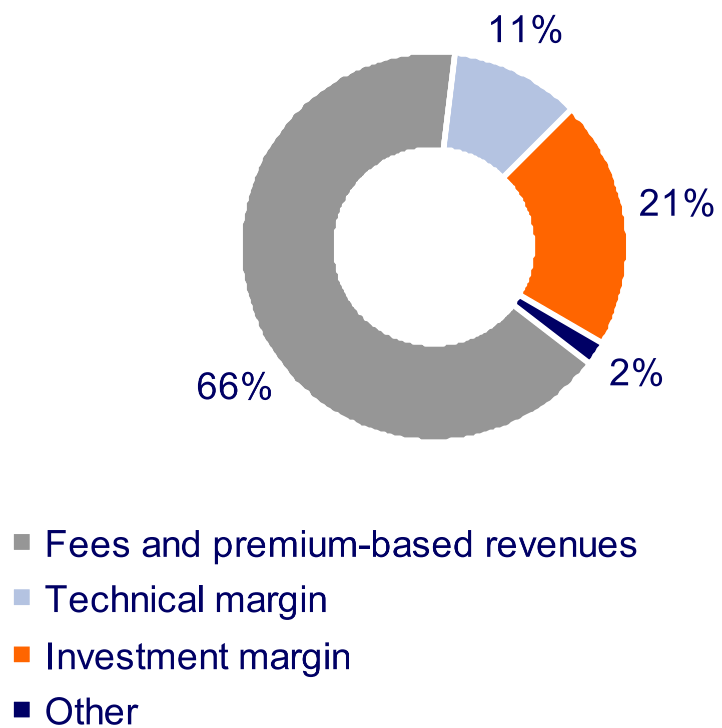
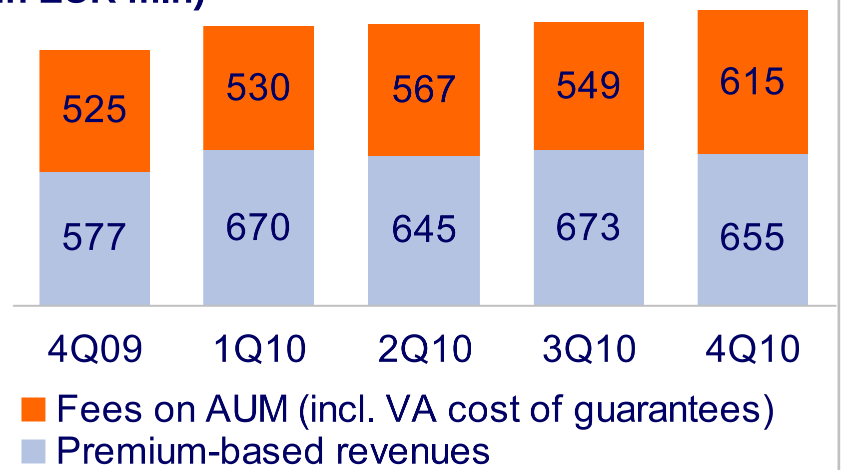
Increase Life & ING IM operating result supported by higher fees and premium-based revenues

Life Insurance & ING Investment Management (IM)

Life & ING IM operating income largely consists of fees and premium-based revenues (4Q10)



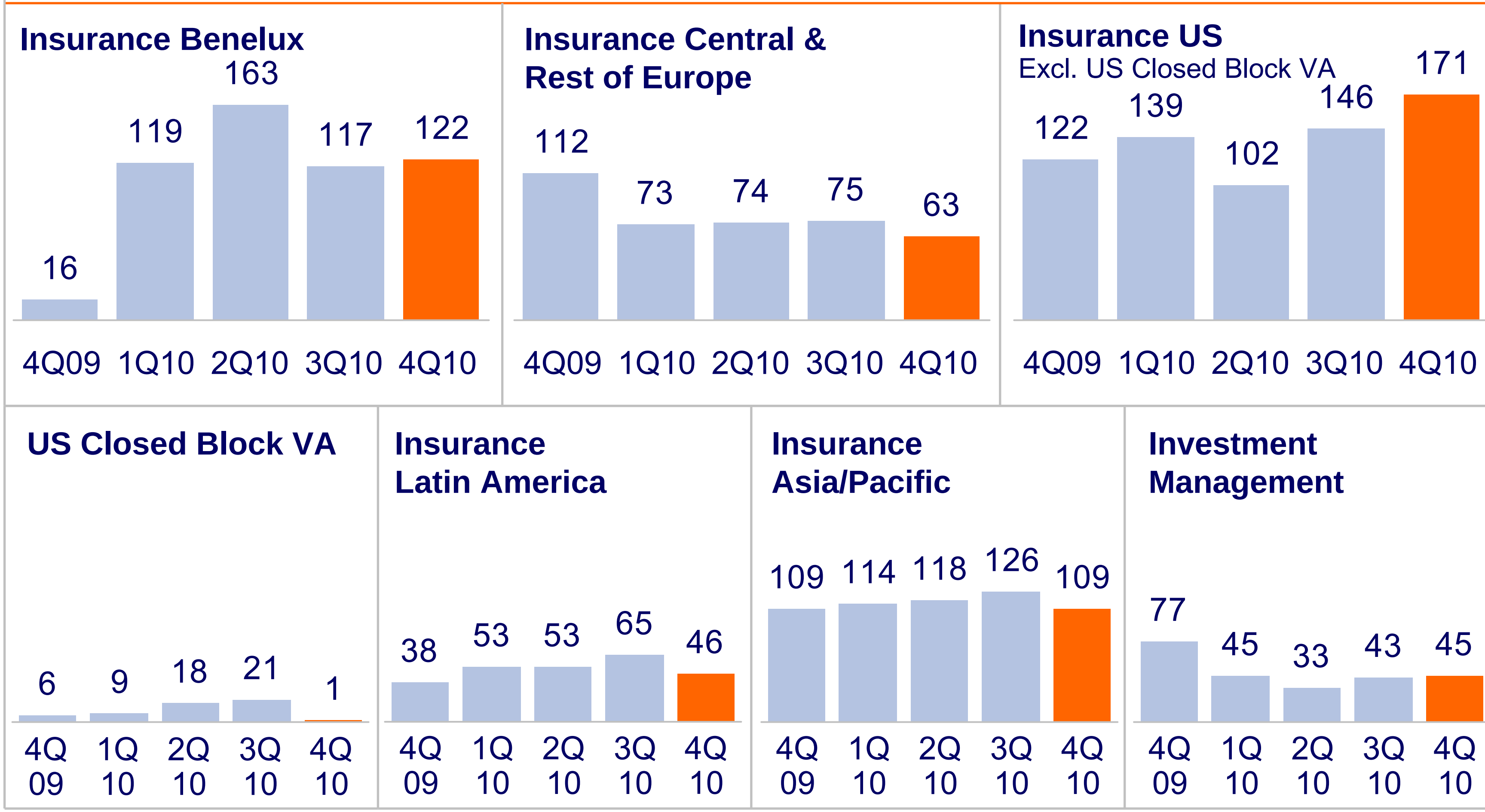
Fees and premium-based revenues (in EUR mln)



- Fees and premium-based revenues increased 15.2% from 4Q09 and 3.9% from 3Q10 due to higher gross asset-based fees
- Cost of VA guarantees increased to EUR 213 mln from EUR 165 mln in 4Q09

Operating result resilient in most business lines

Life & Investment Management operating result (in EUR million)



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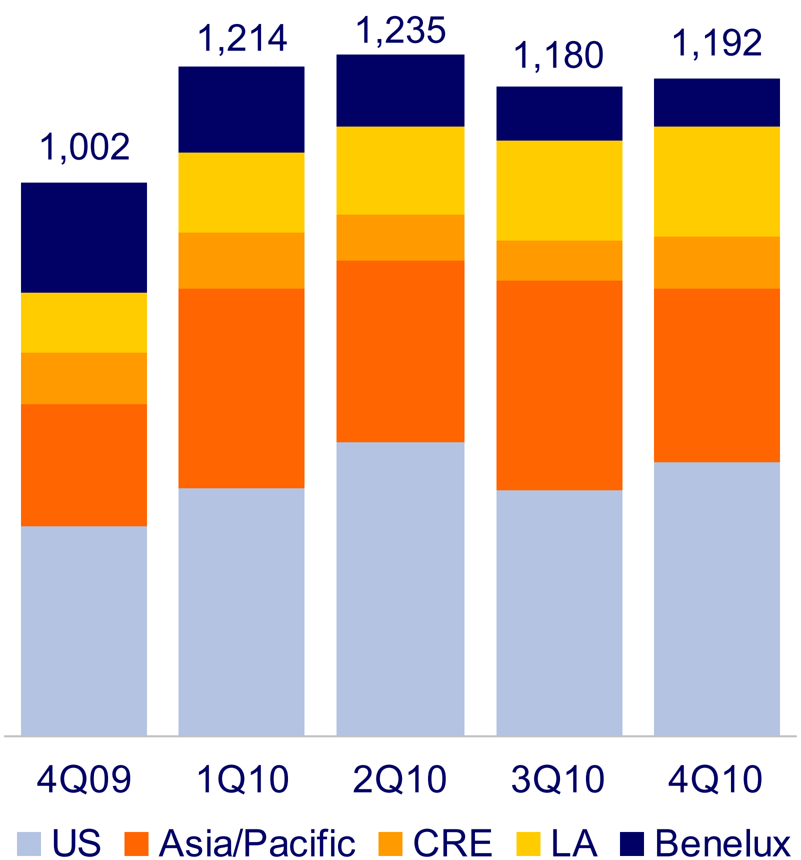
Ongoing strong Insurance sales

Sales* (APE, in EUR million)

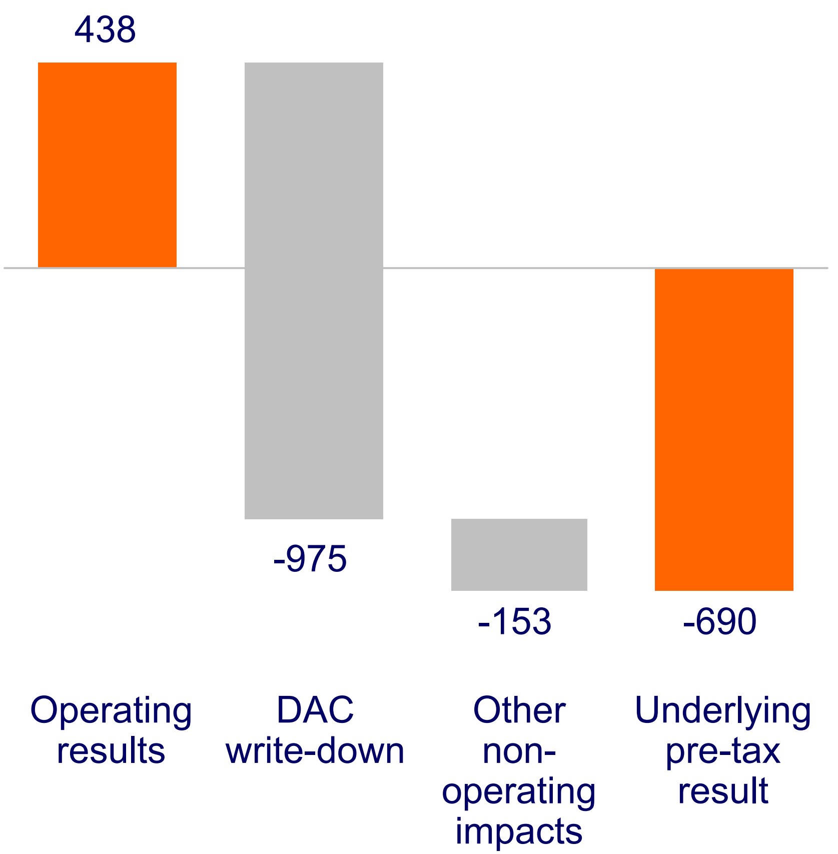


* Excluding the closed blocks in the US and Japan

- New sales remained healthy at EUR 1.2 bln
- US, LA and CRE showed a strong increase in sales, while Asia and the Benelux showed a decrease versus 3Q10
- US sales continued to be driven by higher sales of stable value retirement plans, Universal Life products and term products
- Sales decrease in Asia due to seasonality and despite continued robust sales of the COLI product in Japan

Underlying result impacted by DAC write-down on US Closed Block VA

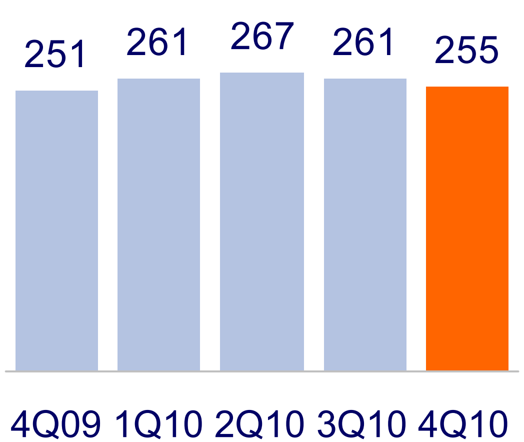
Underlying pre-tax result (in EUR million)



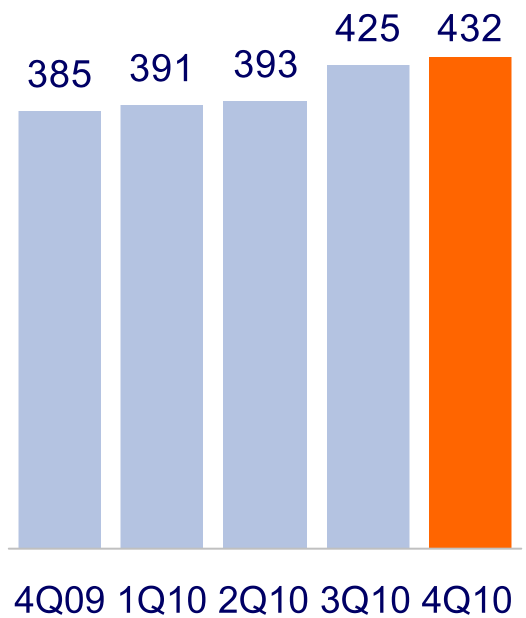
- The underlying pre-tax result in 4Q10 includes a EUR 975 million DAC write-down related to the US Closed Block VA
- In addition, the underlying result was affected by a negative non-operating impact of EUR 150 mln related to the change of the provision for guarantees on the separate account pension contracts (net of hedging)

ING Insurance capital position remains strong

ING Insurance Solvency I ratio (in %)*



Regulatory capital US (RBC in %)* **



- Solvency I ratio declined slightly in 4Q10 as higher interest rates reduced available capital

- Measures taken to address US Closed Block VA were non-cash charges and had no impact on RBC ratio for US business
- For US Insurance, EUR 1.5 billion of hybrids were swapped to equity to offset the impact of VA measures
- As we prepare for two IPOs ING Group will no longer allocate interest expenses on core debt to Insurance from 2011
- Combined, these changes will reduce interest costs reflected in Corporate Line Insurance by EUR 200 mln per year

* End of quarter **US total (including US Closed Block VA)

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Wrap up

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Disclaimer

ING Group's Annual Accounts are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS-EU').

In preparing the financial information in this document, the same accounting principles are applied as in the 2009 ING Group Annual Accounts. The Financial statements for 2010 are in progress and may be subject to adjustments from subsequent events. All figures in this document are unaudited. Small differences are possible in the tables due to rounding.

Certain of the statements contained herein are not historical facts, including, without limitation, certain statements made of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation: (1) changes in general economic conditions, in particular economic conditions in ING's core markets, (2) changes in performance of financial markets, including developing markets, (3) the implementation of ING's restructuring plan to separate banking and insurance operations, (4) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (5) the frequency and severity of insured loss events, (6) changes affecting mortality and morbidity levels and trends, (7) changes affecting persistency levels, (8) changes affecting interest rate levels, (9) changes affecting currency exchange rates, (10) changes in general competitive factors, (11) changes in laws and regulations, (12) changes in the policies of governments and/or regulatory authorities, (13) conclusions with regard to purchase accounting assumptions and methodologies, (14) changes in ownership that could affect the future availability to us of net operating loss, net capital and built-in loss carry forwards, (15) ING's ability to achieve projected operational synergies, and (16) the move towards fair value accounting for Guaranteed Minimum Withdrawal Benefits for the US Closed Block VA business line. ING assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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